

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

ESTHER HOFFMAN, SARAH)	Case No.: 2:18-cv-01132 TSZ
DOUGLASS, ANTHONY KIM, IL KIM)	
and DARIA KIM, on behalf of)	SUBMISSION OF EVIDENCE IN
themselves and on behalf of others)	COMPLIANCE WITH MINUTE
similarly situated,)	ORDER
)	
Plaintiffs,)	
)	
v.)	
)	
TRANSWORLD SYSTEMS)	
INCORPORATED, <i>et al.</i> ,)	
)	
Defendants.)	

NOW COME undersigned counsel, who submit evidence showing their authority to represent the trust defendants in this action in compliance with this Court's November 2, 2020 Minute Order (the "11/2/20 Order") (Dkt. # 99), as follows:

1. On September 24, 2020, Esther Hoffman, Sarah Douglass, Anthony Kim, Il Kim, and Daria Kim ("plaintiffs") filed their Amended Motion to Prove Authority ("Motion to Prove Authority"). (Dkt. # 82).

1 2. On October 5, 2020, the trust defendants (“Trusts”),¹ through undersigned
2 counsel, responded to the Motion to Prove Authority (Dkt. # 88). In their response, the
3 Trusts submitted a Special Servicing Agreement (“SSA”) and a Default Prevention and
4 Collection Services Agreement (“DPCSA”) accompanied by declarations to show the
5 contractual arrangements that enable counsel to represent the Trusts in defense of the
6 claims asserted in this action. (Dkt. ## 88, 88-1 and 88-2). Included therewith is the
7 affidavit of Ralph Lyons, confirming Transworld Systems Inc. (“TSI”) is involved in
8 managing the above-captioned litigation per request of the Successor Special Servicer,
9 and that TSI, on behalf of the Trusts and under the Trusts’ special-servicing related
10 agreements, retained counsel to defend the claims in the above-captioned matter. (Dkt.
11 # 88-2 at ¶¶ 9-11).

12 3. On November 2, 2020, the Court entered the 11/2/20 Order directing
13 undersigned counsel to produce evidence showing their authority to represent the Trusts
14 on or before November 16, 2020. (Dkt. #99).

15 4. Upon receipt of the 11/2/20 Order, undersigned counsel prompted a
16 dialogue with Wilmington Trust Company, the Trusts’ Owner Trustee, and GSS Data
17 Services, LLC., f/k/a First Marblehead Data Services, Inc., the Trusts’ Administrator.
18

19 _____
20 ¹ The “Trusts” include the following: National Collegiate Student Loan Trust 2003-1; National Collegiate Student
21 Loan Trust 2004-1; National Collegiate Student Loan Trust 2004-2; National Collegiate Student Loan Trust 2005-
1; National Collegiate Student Loan Trust 2005-2; National Collegiate Student Loan Trust 2005-3; National
Collegiate Student Loan Trust 2006-1; National Collegiate Student Loan Trust 2006-2; National Collegiate
Student Loan Trust 2006-3; National Collegiate Student Loan Trust 2006-4; National Collegiate Student Loan
Trust 2007-1; National Collegiate Student Loan Trust 2007-2; National Collegiate Student Loan Trust 2007-3;
National Collegiate Student Loan Trust 2007-4, and; National Collegiate Master Student Loan Trust I.

1 5. GSS Data Services, LLC, as the Trusts' Administrator, has now provided
2 the undersigned with a letter (the "Trust Administrator Letter") acknowledging
3 undersigned counsel had been retained for the Trusts. A copy of the Trust Administrator
4 Letter is included as Exhibit 1 to the Declaration of Bryan C. Shartle, Esq., attached
5 hereto as Exhibit A. As the Trust Administrator Letter states:

6 We understand that the plaintiff in the Action has challenged whether the
7 law firms Sessions, Israel & Shartle, LLC (formerly Sessions, Fishman,
8 Nathan & Israel, LLC) ("Sessions, Israel & Shartle") and Andrews
9 Skinner, P.S. ("Andrews Skinner") are authorized to defend the Trusts in
10 lawsuits by borrowers arising out of allegedly unfair loan collection
11 practices. We further understand that at the Successor Special Servicer's
12 request to manage the Action for the Trusts, Transworld Systems, Inc.
13 ("TSI"), as Subservicer, retained Sessions, Israel & Shartle and Andrews
14 Skinner pursuant to the Special Servicing Agreement and the Default
15 Prevention and Collection Services Agreement ("DPCS Agreement"),
16 entered into between FMER, as Special Servicer, and NCO Financial
17 Systems, Inc. ("NCO"), as predecessor to TSI[.]

18 * * *

19 As you know, the Administrator, in accordance with the Administration
20 Agreement, is one of the parties, along with U.S. Bank and TSI as it relates
21 to the initiation or defense of borrower collection-related lawsuits, with
the authority to retain counsel on behalf of the Trusts. The Administrator,
on behalf of the Trusts, does not object to TSI's retention of Sessions,
Israel & Shartle, LLC or Andrews Skinner, P.S. as Trust counsel in the
Action. Further, the Administrator believes that the Special Servicing
Agreement and the DPCS Agreement permit TSI, as Subservicer, to retain
counsel on behalf of the Trusts in lawsuits such as the Action, and it has
been the practice of the parties to the Special Servicing Agreement and
DPCS Agreement to retain counsel to defend the Trusts in this manner, as
permitted by the agreements referenced in this paragraph.

2 6. WTC, as the Trusts' Owner Trustee, has also provided the undersigned
3 with a letter (the "Owner Trustee Letter") similarly acknowledging undersigned counsel

1 had been retained to represent the Trusts in the above captioned matter. A copy of the
2 Owner Trustee Letter is included as Exhibit 2 to the Shartle Declaration. As the Owner
3 Trustee Letter states:

4 WTC is aware that ANDREWS SKINNER, P.S. (hereinafter,
5 “ANDREWS SKINNER”), and SESSIONS, ISRAEL & SHARTLE, LLC
6 (formerly, Sessions, Fishman, Nathan & Israel) (hereinafter,
7 “SESSIONS”) have been retained to represent the Trusts in the *Hoffman*
8 case.

9 WTC is also aware that the Administrator, on behalf of the Trusts, has
10 provided a letter consenting to the engagement of ANDREWS SKINNER
11 and SESSIONS to defend the Trusts in the *Hoffman* case.

12 As recognized by the Delaware Court of Chancery,^[2] WTC understands
13 that the Administrator, on behalf of the Trusts, is responsible for causing
14 the Trusts to service their student loans, including handling issues related
15 to the Trusts that may arise out of the Special Servicing Agreement or the
16 Default Prevention Services and Collections Agreement.

17 7. The undersigned respectfully suggest the Trust Administrator Letter,
18 together with the Owner Trustee Letter, satisfies the 11/2/20 Order.

19 WHEREFORE, undersigned counsel pray this submission satisfies the Court’s
20 November 2, 2020 Minute Order (Dkt. # 99).

21 By: /s/ Bryan C. Shartle
Bryan C. Shartle, *Pro Hac Vice*
James K. Schultz, *Pro Hac Vice*
Justin H. Homes, *Pro Hac Vice*
SESSIONS, ISRAEL & SHARTLE, LLC
Lakeway II

² The Delaware Court of Chancery has acknowledged: “[T]he Administration Agreements make clear that the Administrator will perform the duties of the [Trusts] as well as the duties and obligations of the Owner Trustee on behalf of the [Trusts] under the Indenture and Trust Agreement.” *In re Nat’l Collegiate Student Loan Trusts Litig.*, No. 12111-VCS, 2020 WL 5049402, *12 (Del. Ch. Ct. Aug. 27, 2020) (internal quotations omitted). The Administrator’s duties, on behalf of the Trusts, includes “day-to-day management function with respect to the Student Loans.” *Id.* at 17.

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Dated: November 16, 2020

By: /s/ Stephen G. Skinner